DEPARTMENT OF INDUSTRIAL RELATIONS
COMMISSION ON HEALTH AND SAFETY AND
WORKERS' COMPENSATION

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February 1, 2011

FROM: Commission on Health and Safety and Workers' Compensation (CHSWC)

California Department of Industrial Relations

2011 Billing Notice

Workers' Occupational Safety and Health Education Fund (WOSHEF)

Background

Labor Code Section 6354.7 requires that workers' compensation insurers fund WOSHEF by paying an annual fee of the greater of \$100.00 or .000286 percent of their paid workers' compensation indemnity claims as reported for the prior calendar year on the "Call for California Workers' Compensation Experience" filed with the California Workers' Compensation Insurance Rating Bureau (WCIRB).

WOSHEF funds the Worker Occupational Safety and Health Training and Education Program (WOSHTEP).

Please review the information on the following pages about the 2011 Billing Notice and the obligation of insurers to provide loss control services.

Billing Notice

This letter serves as your 2011 WOSHEF Billing Notice.

In order to comply with this billing notice, please be sure to:

- 1. Complete the enclosed "Workers' Occupational Safety and Health Education Fund Fee Report" form (CHSWC-1), also referred to as the "WOSHEF Fee Report."
- 2. Include a copy of the most current Certificate of Authority issued by the California Department of Insurance for each insurance carrier writing workers' compensation in California.
- 3. Have the WOSHEF Fee Report signed by the Company Officer (a person with authority to establish the loss control consultation program and authorize the payment of fees into the WOSHEF).
- 4. Include a copy of the "Call for California Workers' Compensation Experience" that was filed with WCIRB for calendar year 2010. Attached are two sample Call for Direct California Workers' Compensation Experience Calendar Year 2010 Forms. The Loss Exhibit or bottom half of each form is the same and require the reporting of paid indemnity losses. You may use either Calendar Year Call form to submit with your assessment.
- 5. Calculate the assessment due by referring to the Calendar Year 2010 "Call" to determine the amount of Paid Indemnity in the prior year.
 - If your company reported to WCIRB on the Data Call for Direct California Workers' Compensation Experience Fourth Quarter of Calendar Year 2010 (CA-QT-4Q10), the calculation is based on the number in Column (1) Paid Losses, box (e) YTD change.
 - If your company reported to WCIRB on the Data Call for Direct Workers' Compensation Experience (Abridged) Calendar Year 2010 (CA-NC-2010), the calculation is based on the number in Section II, Loss Exhibit Column (1) Indemnity.

Samples of these forms with the appropriate box circled are enclosed with this Billing Notice.

Calculate .000286 of this figure to determine the fees due. (The enclosed CHSWC-1: WOSHEF Fee Report form includes a sample calculation.)

- 6. Enclose a check made out to the "Workers' Occupational Safety and Health Education Fund" for the amount of fees due.
- 7. Return the completed WOSHEF Fee Report, along with the required fee and attachments, no later than April 1, 2011, to:

Commission on Health and Safety and Workers' Compensation Attention: WOSHEF 1515 Clay Street, Room 901 Oakland, CA 94612

This Billing Notice and the WOSHEF Fee Report form are available on the Commission's website at: http://www.dir.ca.gov/chswc/WOSHEF.html

Insurer Obligations to Provide Loss Control Services

Labor Code Section 6354.5 and Insurance Code Section 11703 require all workers' compensation insurers to maintain or provide occupational safety and health loss control consultation services. These services must be adequate to identify the hazards exposing the insured to, or causing the insured, significant workers' compensation losses, and to advise the insured of steps needed to mitigate the identified workers' compensation losses or exposures.

The insurer's loss control consultation services program must include all of the following:

- A workplace survey, including discussion with management and, where appropriate, non-management personnel with permission of the employer.
- A review of injury records with appropriate personnel.
- The development of a plan to improve the employer's health and safety loss control experience, which shall include, where appropriate, modifications to the employer's injury and illness prevention program established pursuant to Labor Code Section 6401.7.
- At the time that an insurance policy is issued, and annually thereafter, your company must provide each insured employer with a written description of the consultation services together with a notice that the services are available at no additional charge to the employer. These notices to the employer must appear in at least 10-point bold type

Please make certain that your loss control consultation services are in compliance with these laws.

For Assistance...

If you should have any questions regarding your 2011 WOSHEF Billing Notice or the provision of loss control consultation services to your California policyholders, please call CHSWC at (510) 622-3959.

Again, please note that the WOSHEF Fee Report, required attachments, and the payment of fees must be filed with this office no later than April 1, 2011.

Enclosures:

- CHSWC-1: WOSHEF Fee Report
- Two samples of "Call for Direct California Workers' Compensation Experience Calendar Year 2010" Forms
- Overview of WOSHTEP Accomplishments